

STATE OF MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET LANSING

GOVERNOR

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FOR IMMEDIATE RELEASE

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Michigan's February Unemployment Rate Edges Downward

Lansing – Michigan's seasonally adjusted unemployment rate in February continued its downward trend, declining over the month by two-tenths of a percentage point to 8.8 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). Total employment rose by 22,000 in February as the number of unemployed declined by 8,000. The state's workforce grew by 14,000 over the month.

The Michigan jobless rate in February 2012 was nearly two full percentage points below the state's February 2011 rate of 10.7 percent. The national jobless rate decreased by seven-tenths of a percentage point over this period.

"For a number of years, Michigan's jobless rate remained well above the national rate. However, as of February 2012, the state's unemployment rate was only a half percentage point above the U.S. rate," said Rick Waclawek, director of the Bureau of Labor Market Information and Strategic Initiatives. "The professional and business service sector in Michigan has recently displayed significant momentum, adding jobs in February for the seventh consecutive month."

Monthly Labor Force Trends & Highlights

- February marked the seventh consecutive monthly jobless rate decline in Michigan. The state's monthly unemployment rates have recorded a downward trend since mid-2009.
- Michigan's workforce rose for the second month in a row in February, however it continues to be down over the year. From February 2011 to February 2012, Michigan's labor force decreased by 28,000 or 0.6 percent. In general, the state's labor force has been receding since 2006.
- February's total employment gain in Michigan continued a string of fairly strong monthly advances since mid-year 2011. Since February 2011, employment in the state has risen by 62,000 or 1.5 percent, which is slightly below the national rate of increase of 1.8 percent over the same period.
- From February 2011 to February 2012, the number of unemployed in Michigan dropped by 90,000 or 18 percent. Nationally, unemployment declined by 7 percent since February 2011.

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Note: The data in this release reflects recently revised historical estimates. Seasonally adjusted labor force estimates for 2007-2011 for Michigan and for the Detroit-Warren-Livonia MSA were revised. Previously published data should be replaced with this new series. In addition, seasonally adjusted payroll job data was revised for 2010 and 2011. For newly revised data, go to www.michigan.gov/lmi or contact DTMB at 313-456-3090.

MICHIGAN Labor Force Estimates

Seasonally Adjusted (Data in Thousands)

	February	January	February		
	2011	2012	2012	Change	
				Month	Year
Civilian Labor Force	4,675	4,633	4,647	14	-28
Employment	4,176	4,216	4,238	22	62
Unemployment	499	417	409	-8	-90
Rate (Percent)	10.7	9.0	8.8	XXX	XXX

Detroit Metropolitan Area's February Jobless Rate Falls Below 10.0 percent

The Detroit-Warren-Livonia Metropolitan Statistical Areas (MSA's) seasonally adjusted unemployment rate in February declined over the month by three-tenths of a percentage point to 9.8 percent. February was the first month the area's jobless rate was below 10.0 percent since October 2008, and February's rate was the lowest for the region since September 2008. Over the month, total employment increased by 8,000 while the number of unemployed declined by 5,000. The metro area's labor force edged upward over the month by 3,000. The MSA's workforce has been relatively steady since November.

From February 2011 to February 2012, the Detroit metropolitan area's jobless rate fell by two full percentage points. In that period, the region's total employment level advanced by 27,000 or 1.5 percent, while the number of unemployed dropped by 42,000 or 18 percent. The area's workforce decreased by 15,000 or 0.7 percent since February 2011. Labor force reductions have moderated recently in the area. Overall however, the metro area's labor force has been declining since 2000.

Detroit-Warren-Livonia MSA Labor Force Estimates

Seasonally Adjusted (Data in Thousands)

	February	January	February		
	2011	2012	2012	Change	
				Month	Year
Civilian Labor Force	2,023	2,005	2,008	3	-15
Employment	1,784	1,803	1,811	8	27
Unemployment	239	202	197	-5	-42
Rate (Percent)	11.8	10.1	9.8	XXX	XXX

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February Payroll Jobs Little Changed

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs were flat in February, edging upward by 1,000 to 3,981,000. Mostly minor offsetting job gains and losses occurred during the month. Job additions were posted in professional and business services (+5,000), and education and health services (+4,000). These increases were offset by job declines in manufacturing (-5,000), government (-2,000), and trade, transportation and utilities (-2,000). The state's remaining major industry sectors were steady over the month.

Industry Employment Trends and Highlights

- Payroll jobs in Michigan have been increasing or steady in most months over the past year.
 The only months since February 2011 to show minor declines were June and August.
- Jobs in professional and business services have increased every month since August.
- After recording large drops for several years, jobs in construction have stabilized over the past year in Michigan. Since February 2011, construction jobs have shown only a minor decline.
- Jobs in education and health services continued to trend upward in February. This is the only
 major industry sector in Michigan to have registered job gains throughout the last decade
 including the latest recession.
- Since February 2011, payroll jobs in Michigan increased by 69,000 or 1.8 percent. Job growth
 in two sectors, professional and business services and manufacturing, have accounted for over
 eighty percent of the total statewide gain.
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing declined over the month as well as over the year.

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MICHIGAN Payroll Employment Estimates

Seasonally Adjusted (Data in Thousands)

	<u>February</u>	January*	February**	CHANGE***	
	<u>2011</u>	<u>2012</u>	<u>2012</u>	MONTH	YEAR
Total Nonfarm Payroll Jobs	3912	3980	3981	1	69
Natural Resources & Mining	7	7	7	0	0
Construction	125	123	124	1	-2
Manufacturing	494	528	522	-5	28
Transportation Equipment	136	148	146	-3	9
Trade, Transportation & Utilities	717	725	723	-2	6
Retail Trade	448	445	443	-2	-5
Information	54	53	53	0	-1
Financial Activities	193	197	196	-1	3
Professional & Business Services	542	565	570	5	28
Education & Health Services	615	624	628	4	13
Leisure & Hospitality Services	378	376	377	0	-1
Other Services	167	169	168	0	1
Government	620	615	613	-2	-8

^{*} Final data for January

Hours & Earnings for Production Workers

Seasonally Adjusted

Manufacturing

	February	<u>January</u>	February	CHANGE			
	<u>2011</u>	<u>2012</u>	2012	MONTH YEAR			
Average Weekly Earnings	\$960.55	\$906.05	\$899.29	-\$6.76	-\$61.26		
Average Weekly Hours	44.7	43.6	43.1	-0.5	-1.6		
Transportation Equipment							
Average Weekly Earnings	\$1,321.64	\$1,264.29	\$1,290.20	\$25.91	-\$31.44		
Average Weekly Hours	46.5	44.5	45.5	1.0	-1.0		

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^{**} Preliminary data for February

^{***} Change calculated using unrounded data